

Question Number 1: Please consider this a formal request to extend the due date for DE-SOL-0008470 by at least 30 days. While the proposal has been almost five years in the making the requirement to respond within 60 days makes it difficult for companies that have not considered the bid in the past to respond to this request. The more traditional 90 day time for proposal preparation would provide time for our management to consider a responsive bid. Please extend the proposal due date.

Answer to Question 1: The proposal due date will not be extended.

Question Number 2: Ref: Proposed Key Personnel and Service Commitments, Section M-3(b), Page 216

In referenced clause of the Final RFP states: "Proposed Key Personnel who are under a service commitment for the performance of another NNSA M&O contract at the projected time of contract award (i.e. Dec 2016) will not be considered, which may negatively impact the Offeror's evaluation or make the proposal unacceptable." There is currently an active NNSA M&O competition for the NNS M&O contract that has not yet been resolved. Multiple teams have Key Personnel that have signed Letters of Commitment on those bids, but only one of those teams will be selected and then constitute a service commitment for their Key Personnel by December 2016. The proposed Key Personnel for all other teams would seem to be in limbo until the NNS contract decision is announced. This creates a situation that would limit the pool of quality Key Personnel that might be proposed to NNSA for the Sandia competition.

If a proposed Key Person on Sandia turns out to be a Key Person on the successful NNS bid, can the Offeror propose a substitute individual?

Answer to Question 2: Offerors are expected to propose Key Personnel who they believe will be available for two years of performance under the resulting contract. Proposing individuals whose availability is unknown at the time of proposal submission puts the proposal at risk of receiving an unfavorable rating in the event that the Government determines that the individual is not actually available. An Offeror may be given an opportunity to propose substitute Key Personnel ONLY if the Government decides to open discussions and the offeror is included in the competitive range. However, the RFP does not obligate the Government to conduct discussions (See Subsection L-2(f) (4) of the RFP), and offerors will not be permitted to propose substitute Key Personnel unless discussions are opened. If an awardee does replace key personnel with contract service agreements, the successful offeror is subject to forfeiture of that individual's salary for two years as stated in clause B4 of the contract.

Question Number 3: Ref: Sandia Corporation's Use by the Incumbent as its legal entity. DRFP Response, 4.c. Page 5

In the responses to the DRFP questions the Government issues the following statement: "NNSA will not transfer Sandia Corporation to the successful offeror. NNSA does not expect to retain the Sandia Corporation name."

We presume that the prohibition of the use of Sandia Corporation also applies to the incumbent as their legal entity to bid this contract. Is this correct?

Answer to Question 3: No. Sandia Corporation is the incumbent contractor and is a wholly owned subsidiary of Lockheed Martin. The current contract allows, but does not obligate, the Government to

acquire all of Sandia Corporation's stock upon the completion of the existing contract. Regardless of whether the Government chooses to exercise its rights under the current contract, the Government does not plan to transfer ownership of Sandia Corporation to the successor contractor. However, as the current sole owner of Sandia Corporation, its parent company is not prohibited from proposing the continued use of Sandia Corporation for the new contract, since this would not result in a transfer of Sandia Corporation stock to the Government or to any other entity. No other entities should propose the use of Sandia Corporation because they have no current ownership interest in Sandia Corporation. To the extent that this changes the Government's response(s) to any previous questions regarding the use of Sandia Corporation, this response shall control.

Question Number 4: Ref: Contract Fixed Fee and Award Fee Rates. Section B 2(e), Page 9

Section B-2(e) gives the impression that FF and AF established at award will remain the same regardless to the level or costs from year to year and are fixed based on the current budgeted costs. This paragraph states: "The FF and AF for CLIN 0001, and the FF rate for CLIN 0002 will not be negotiated on an annual basis and are established at Contract award." We request for clarity that the term "rate" be added after "FF and AF for CLIN 0001..." to match the same language that is in CLIN 0002.

Therefore, we request that B-2(e) read: "The FF rate and AF rate for CLIN 0001, and the FF rate for CLIN 0002 will not be negotiated on an annual basis and are established at Contract award."

Answer to Question 4: The reference is correct. The fixed fee and the award fee for CLIN 0001 are not rates, as this would violate prohibitions on using cost-plus-percentage-of-cost contracting method. Rather they are fixed dollar amounts. Therefore the FF and AF will be established at contract award and will not be negotiated on an annual basis. The fixed fee and award fee are based on the budgeted costs shown in the RFP and will remain the same throughout the life of the contract.

Question Number 5: Ref: Continuation of predecessor contractor's obligation and transfer of obligations. Section H 1(a) and (c), Page 25

These paragraphs states: "(a) Existing contractual agreements and regulatory obligations entered into under Contract DE-ACO-94AL85000 will continue during performance of this contract. The Contractor shall assume all existing contractual, commercial, regulatory, and other similar obligations incurred under the predecessor Contract, and shall be fully responsible and accountable under this Contract for the performance of such obligations. Examples of existing obligations include, but are not limited to:

- (1) Subcontracts and purchase orders;
- (2) Agreements and memoranda of understanding with research organization, universities, and colleges;
- (3) Strategic Partnership Project Agreements;
- (4) Collection of unpaid accounts receivables';
- (5) Real Property Leases, Land Use Permits, and the Kirtland Air Force Base Support Agreement;
- (6) Environmental and other permits and licenses;
- (7) Mutual Aid and emergency response agreements;
- (8) Ongoing litigation and claims by or against the predecessor contractor; and,
- (9) Other similar agreements."

“(c) The Contractor agrees that all obligations entered into under this Contract shall be transferrable and assignable to the successor contractor as directed by the Contracting Officer. If, at the completion or termination of this Contract, the Contractor Officer does not direct the Contractor to transfer or assign such obligations to the successor contractor, the Contractor shall be liable, responsible, and accountable for closing out liquidating such obligations, or for taking such other action as the Contracting Officer may direct. The Contractor shall remain liable and responsible for any unallowable cost which it incurred, or caused to be incurred, in the performance of this contract, regardless of whether they arise out of, or relate to, any obligations transferred or assigned to the successor contractor or to another entity.”

Do the conditions identified in H-1(a) and (c) apply to the current contract holder (DE-AC0-94AL8500)? Is Sandia Corporation responsible for all of the liabilities incurred on the current contract and future liabilities incurred during the current contract period?

Answer to Question 5: The successor contractor shall be responsible for the continued performance of subcontracts, agreements, or other ongoing obligations into which the predecessor contractor entered under the predecessor prime contract. Responsibility for liabilities which were incurred by the predecessor contractor is governed by the DEAR clause 970.5231-4, Preexisting Conditions. Generally, the successor contractor will not be responsible for, and will be reimbursed for, such liabilities pursuant to the conditions of the clause. Also, the predecessor contractor will continue to be responsible for certain liabilities incurred under the predecessor contract, such as unallowable costs or performance problems, if any.

Question Number 6: Ref: Clause updates and Implementation Section to FAR clauses. Section H 14(a), Page 32

H-14(a) states: “(a) The Contractor agrees that the Contracting Officer may, from time to time and at any time, unilaterally modify the Contract to revise, add or delete Section H clauses, and FAR or DEAR clauses due to changes in the law or regulations or resulting from the approval of new deviations.”

We understand completely NNSA’s desire to update FAR and/or DEAR clauses due to changes in law or regulation. We also understand NNSA’s desire to revise, add or delete H clause impacted by changes in law or regulation. The cited provision is not clear that NNSA intends to unilateral modification of H clause only where a particular H clause is impacted by a change in law or regulation. We suggest the following verbiage: “(a) The Contractor agrees that the Contracting Officer may, from time to time and at any time, unilaterally modify the Contract to revise, add or delete FAR, DEAR or Section H clauses due to changes in the law or regulations.”

We also respectfully suggest that it is inappropriate for the Contracting Officer be able to effect unilateral changes to an H-clause as a result of approved deviations from the regulations since NNSA would hold both the authority to approve deviations and to update H clauses unilaterally. NNSA should follow the normal course in negotiating by mutual agreement changes to this type of H clauses.

Answer to Question 6: NNSA does have a formal approval process for deviations which are required due to policy changes, either through law, regulations or agency. The policy changes are reviewed and approved by the Senior Procurement Executive (SPE). The required changes are incorporated in the contract terms and conditions.

Question Number 7: Ref: Original Signatures – L-14(b) (1)

In accordance with 44 USC 3504 note. TITLE XVII—GOVERNMENT PAPERWORK ELIMINATION ACT (GEPA), will the Government consider electronic signatures acceptable as original?

Answer to Question 7: Yes, provided the signature is at least New Times Roman font size 12.

Question Number 8: How long will Draft RFP be available for comment?

Answer to Question 8: The comment period of the Draft RFP concluded with the posting of the Final RFP on May 18, 2016.

Question Number 9: When is the final RFP scheduled to be available?

Answer to Question 9: The final RFP was posted on May 18, 2016.

Question Number 10: On what timeframe are RFPs open for submission?

Answer to Question 10: The response time for this RFP is due July 13, 2016 no later than 4:00 p.m. Eastern Daylight Savings Time (EDST).

Question Number 11: When is the prime contractor scheduled to be selected and announced?

Answer to Question 11: The prime contractor is scheduled to be selected and announced after evaluation of all proposals received in response to the solicitation.

Question Number 12: Ref: H-4 Organizational Conflict of Interest (OCI) – Special Provision, Page 26

This clause states that the “Contractor and the Contractor’s parent(s) and affiliates(s), if any, shall comply with the provisions of the approved SNL OCI Management plan..”; can DOE please provide the SNL OCI Management Plan?

Answer to Question 12: The Contractor will prepare its own ‘SNL OCI Management Plan’ which will be approved by the Contracting Officer after contract award.

Question Number 13: Will the Government please confirm that the reference to the “Nevada National Security Site” in Section J, Appendix J-Transition Plan (last sentence) is unintentional, and should reference “Sandia National Laboratories”?

Answer to Question 13: Yes, see amended Section J – Appendix J Page 1.

Question Number 14: Fee Calculations Tab CLIN 0001- Management and Operations of SNL, Section L, Attachment I, Fee Tab

Comment: In the Fee tab under CLIN 0001 there is an estimated cost for each period of the contract. Column B indicates that the cost listed are for NNSA mission work (e.g. Base Term (Year 1) is estimated at \$1,454,591,120). There is no corresponding column for the estimated cost of the DOE-Non NNSA

mission funding. Also these funding levels are below the current congressional authorized budget and do not appear to include DOE-non NNSA.

Answer to Question 14: The estimated cost shown for CLIN 0001 contains both DOE and NNSA work for each contract period. Offerors are required to use the cost estimates shown in Attachment I – CLIN 0001 in proposing the fixed and award fee.

Question Number 15: The DOE has provided the incumbent contractor both Price Anderson Act indemnity for nuclear risks and P.L. 85-804 indemnity for nuclear risks in excess of Price Anderson limits as well as specified non-nuclear risks. The RFP includes a clause providing Price Anderson Act coverage, however the Public Law 85-804 enabling clause (FAR 52.250.1) and the specific grant clause (DEAR 52-250.1) are not included.

(i) Will the new contract continue to provide the P.L. 85-804 indemnity with respect to ongoing matters for which the indemnity is currently provided?

(ii) Will the new contract continue to provide the P.L. 85-804 indemnity with respect to nuclear risks in excess of Price Anderson limits?

(iii) Does the Government anticipate accepting contractor applications for P.L. 85-804 indemnity with respect to new matters that may in the future be added to the work involving ultra-Hazardous risks?

Answer to Question 15: FAR 52.250-1, Indemnification under Public Law 85-804 (Apr 1984) – Alternate I (Apr 1984) (DEVIATION) may be added to the contract after award if the Secretary of Energy determines that it is warranted pursuant to a request from the contractor. The successful offeror will have to prepare an 85-804 package to request indemnification.

Question Number 16: When does the NNSA/DOE plan to provide the list of DOE/NNSA Contractor personnel who will be supporting the government's proposal evaluation to the Offerors/bidders in order to complete the required Non-Disclosure Agreements (NDAs) in a timely fashion?

Answer to Question 16: The non-disclosure agreements (NDAs) will be provided upon award of the acquisition support contract. Completion of the non-disclosure agreements between Offerors and the support contractor will be executed as soon as possible.

Question Number 17: Reference. Allowable Costs and Parent Organization Oversight.

Comment. Section H-33(a) indicates that allowable costs include: "(1) Personnel costs in accordance with Appendix A attached to this Contract."

In Section J, Appendix A, Chapter II: Work Scope Structure, 3.3 Parent Organization(s) states:
“(i) The Contractor is encouraged to identify opportunities to use parent corporate systems and corporate home and branch office personnel for Laboratory operations for the purposes of monitoring Laboratories performance, assisting the Laboratories in meeting its mission and operational requirements, streamlining the Contractor's administrative and business systems, improving performance, and adapting private sector expertise to Laboratory issues.....

(iii)The Contractor, prior to using any parent corporate systems or home and branch office personnel, where reimbursement is expected, shall submit a plan to the Contracting Officer for review and approval.....

(iv) The parent organization(s) shall establish an oversight entity, independent and autonomous from Laboratory management that shall support successful contract performance and shall identify opportunities for the parent organization(s) to engage with Laboratory management to address Laboratories performance issues. The parent organization shall discuss oversight mechanism results and initiatives with senior NNSA leadership each quarter.”

The above references indicates, and the current contract allows (H-24(a) and (b) clauses), that the Parent Organization’s oversight entity activities (e.g. improvements in technical operations, Board of Directors meetings, Corporate Ethics, etc.) are allowable costs since they are directed activities and their associated personnel costs are part of the SOW. Also, these activities were considered allowable costs in the current contract.

We assume that in accordance with Clause H-33 and the directed activities in the SOW that these costs will be allowable costs in the new contract in spite of a lack of clauses in the Draft Contract (Section H) that correspond to the H-24(a) and (b) clauses in the existing contract. Please confirm that our assumptions are correct.

Answer to Question 17: Home office expenses will be treated in accordance with DEAR 970.3102-3-70, "Home office expenses," and clause H-33 of the contract. Home office expenses which are not expressly identified as allowable in the resulting contract are not allowable.

Question Number 18: The Past Performance Information Form (PPIF) in Section L, Attachment E is printed with DRAFT diagonally across the page. Will PPIF forms be provided without the word DRAFT or should bidders populate the forms as provided in the RFP?

Answer to Question 18: A revised Past Performance Information Form (PPIF) is provided with the word “DRAFT” removed.